

# THE DEVELOPMENT OF A MANAGEMENT COMPETENCY MODEL AND A DEVELOPMENT CENTRE

**Sara Wong**

**Hong Kong Productivity Council, Hong Kong**

**Index:** Management Competency Model, Development Centre

**Abstract:** In 1999, the Hong Kong Productivity Council (HKPC) has developed a Hong Kong focused Management Competency Model and a Development Centre which aimed to improve the organisation's capability to develop managers for general management roles. The project began with the development of the Management Competency Model which formed the foundation of the Development Centre. The research process included surveys and focus group meetings. The Management Competency Model comprised 31 competencies grouped under 8 clusters. The assessment tools adequately measuring the competencies identified in the Model included personality questionnaire, 360 degree assessment exercise, group discussion on business case, role play, presentation, and interview.

## INTRODUCTION

In 1999, the Hong Kong Productivity Council (HKPC) embarked on a research project in partnership with the Richard Ivey School of Business of the University of Western Ontario to develop a Management Competency Model and a Development Centre. The aim was to strengthen the human resources foundation of local businesses by improving the ability of companies to develop managers for general management roles.

## OVERVIEW OF A DEVELOPMENT CENTRE

The purpose of a Development Centre is to measure the behaviour of a person in a structured way, enabling assessors to assess how competent the person is at present, or more usually, to predict the person's future behaviour. The Development Centre makes use of a multiple assessment approach with a multiple number of job-related exercises and activities by a multiple number of assessors on a multiple number of participants. It is designed to help participants learn more about themselves and can be used as a tool for team building and development of skill that will be called on in the future. With the incorporation of coaching and counselling sessions into the programme, they help develop people during the course of the Development Centre.

## COMPETENCIES AS FOUNDATION OF THE DESIGN OF THE DEVELOPMENT CENTRE

In the context of designing a Development Centre, the start point is a clear and accurate picture of what the Centre is measuring so that participants are evaluated against appropriate criteria and the exercises are designed in a way that can accurately classify and evaluate behaviour. Therefore, competencies which are concerned with behaviour, attitudes, or skills, form the foundation of the

design process.

## **RESEARCH PROCESS**

The research began with the development of the Management Competency Model which was a multi-stage process described below:

In order to determine the competencies required, job analysis need to be carried out. The structure of a typical job analysis can vary, e.g. direct observation, interviews, critical incident technique, repertory grid analysis and questionnaires. In the case of this research project, behavioural questionnaires were adopted since interview with sufficient number of incumbents to obtain a representative sample of their views seemed impossible.

Before launching a survey to identify the core competencies required for successful performance, HKPC gathered the competencies associated with high performance from a number of sources. These included research from the Richard Ivey School of Business, HKPC, and the Human Resources managers from 14 sponsoring organisations, representing diverse industries from the private and public sector.

These competencies were consolidated and distilled into a list of 65 competencies and conceptually grouped into 12 dimensions. Altogether, 400 surveys were sent to the 14 participating organisations' Human Resources Managers and Line Managers on the relative importance of each of these 65 competencies to successful performance now and in the next 3 to 5 years. Survey respondents were middle to upper middle managers and their direct superiors. The aim was to produce a competency model that focused on the core competencies required for middle to upper middle managers with a general management responsibility.

Based on some data analysis, we generated a list of top 30 critical competencies. A number of focus group meetings were then held with the Human Resources Managers of the participating companies to review and validate the results. The outcome was that all the focus groups produced very similar lists.

## **FINDINGS - A MANAGEMENT COMPETENCY MODEL**

Based on the above process, a Hong Kong specific competency model as shown in Table 1 was developed. It defined the critical competencies, skills and behaviours necessary for outstanding performance in general management roles in light of Hong Kong's unique future business challenges.

Table 1 The Management Competency Model

Menu	Cluster	Competency
<b>Main</b>	<b>1. Leadership</b>	<ul style="list-style-type: none"> <li>▪ Change leadership</li> <li>▪ Directing</li> <li>▪ Decision delegation</li> <li>▪ Communication</li> <li>▪ Job enrichment</li> <li>▪ Change management</li> <li>▪ Teamwork and cooperation</li> <li>▪ Team sharing and learning</li> <li>▪ Visioning</li> </ul>
	<b>2. Customer / Market Focus</b>	<ul style="list-style-type: none"> <li>▪ Customer / market focus</li> </ul>
	<b>3. Decision Making</b>	<ul style="list-style-type: none"> <li>▪ Decision making</li> <li>▪ Decisiveness</li> </ul>
	<b>4. Intellectual Processing</b>	<ul style="list-style-type: none"> <li>▪ Analytical thinking</li> <li>▪ Creative thinking</li> <li>▪ Problem solving</li> </ul>
	<b>5. Planning and coordinating</b>	<ul style="list-style-type: none"> <li>▪ Coordinating</li> <li>▪ Short-term planning</li> <li>▪ Strategic planning</li> <li>▪ Project management</li> </ul>
<b>Supplementary</b>	<b>6. Performance Management</b>	<ul style="list-style-type: none"> <li>▪ Goal setting</li> <li>▪ Performance assessment</li> <li>▪ Developmental feedback</li> </ul>
	<b>7. Knowledge</b>	<ul style="list-style-type: none"> <li>▪ Expertise management and development</li> <li>▪ Organizational awareness</li> <li>▪ Product / market sense</li> <li>▪ Financial concern</li> </ul>
	<b>8. Personality Orientation</b>	<ul style="list-style-type: none"> <li>▪ Achievement drive</li> <li>▪ Adaptability</li> <li>▪ Quality concern</li> <li>▪ Perseverance</li> <li>▪ Crisis management</li> </ul>

The model comprised 31 competencies grouped under 8 clusters. These 8 clusters were further classified into 2 menus, i.e. a main menu consisting of 5 dimensions which all managers coming to the Centre should be evaluated on; and a supplementary menu consisting of another 3 dimensions considered as supplementary qualities which allow companies to assess, if a company wanted additional dimensions to be evaluated. The premise for separating "main" and "supplementary" menus was that there could only be a limited number of dimensions that can be reasonably assessed.

## DESIGN OF THE DEVELOPMENT CENTRE

The content of a Development Centre consisted of a set of simulation exercises supplemented by

various other ingredients such as interviews and psychometrics. In designing the Centre and selecting the exercises, we have considered a number of issues. For instance, the exercises selected should be of relevance to the job; the mix of exercises should be appropriate so that sufficient emphasis was given to the most important competencies; and the number of exercises should be minimised but was adequate to provide valid and reliable data due to time and resources constraints.

In order to gather the possible exercises which measured the competencies of the Management Competency model, a project team was formed. The first draft of a Competency - Exercise Matrix was produced. Then, the project team has conducted a trial run of the exercises in order to first, gauge whether the exercises were set at the right level of difficulty; second, assess whether the exercises were relevant; and third, check the timing of the exercises. After the trial, some of the exercises were edited, deleted and customised in some way. As a result, the Competency - Exercise Matrix was modified. The assessment tools included personality questionnaire, 360 degree assessment exercise, group discussion on business case, role play, presentation, and interview.

By using multiple assessment tools and exercises in the Development Centre, companies could evaluate employees' competencies. The results from the Centre not only allowed companies to make accurate management decisions about development of staff, but also promotion and succession planning.

With this Hong Kong focused competency model, the capability of Hong Kong companies to develop managers from general management roles was improved.

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## **CORRESPONDENCE**

Sara Wong

Hong Kong Productivity Council, Hong Kong

Correspondence Address: HKPC Building, 78 Tat Chee Avenue,

Kowloon Tong, Hong Kong.

Telephone Number: 2788 6258

Fax Number: 2788 6196

E-mail Address: [sara@hkpc.org](mailto:sara@hkpc.org)